

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 5, 1996

SUBJECT: **SB 2261 - HB 2735**

This bill, if enacted, will exempt from registration charitable organizations that do not employ persons who solicit on behalf of the organization or who are employed as consultants, planners, and/or managers for a solicitation campaign.

Under current law, all organizations that solicit funds from Tennesseans for charitable purpose(s) must register with the Secretary of State, unless expressly exempted by statute.

The fiscal impact from enactment of this bill is estimated to be a decrease in state revenues of \$158,300. This estimate is based on the following:

Revenue Loss:

No. of <i>Category A</i> organizations (annual gross revenue is \$0-\$19,999 without employed solicitors/fundraising counsel (72) x annual renewal fee (\$50) =	\$ 3,600
No. of <i>Category B</i> organizations (annual gross revenue \$20,000-\$49,999) without employed solicitors/fundraising counsel (84) x annual renewal fee (\$100) =	8,400
No. of <i>Category C</i> organizations (annual gross revenue \$50,000-\$99,999) without employed solicitors/fundraising counsel (98) x annual renewal fee (\$150) =	14,700
No. of <i>Category D</i> organizations (annual gross revenue \$100,000 & above without employed solicitors/fundraising counsel (658) x annual renewal fee (\$200) =	<u>131,600</u>
Estimated Decrease in State Revenue	<u>\$158,300</u>

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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